

**Panel on Financial Affairs  
Meeting on 29 January 2008**

**Issues/questions to be addressed in connection with  
the 70% mortgage cap on residential property**

1. a brief account of the historical background leading to the introduction of the 70% mortgage cap on residential property; the intended policy objectives of the cap and its effect on the residential property market;
2. the implementation and application of the mortgage cap 70% on residential property market and the circumstances, if any, under which the cap may be relaxed; the number of cases, if any, in which mortgage loans exceeding 70% of the value of property were approved;
3. details of the regulatory oversight by HKMA/the Government on the application of the 70% mortgage cap by the banking sector on their clients and the consequence and sanctions, if any, for not adhering to the cap; and
4. are mortgage loan applications by civil servants subject to the 70% mortgage cap in the same way as other applicants? If there is any relaxation of the 70% guideline, what factors are being taken into consideration?

Council Business Division 1  
Legislative Council Secretariat  
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